Department of State

OUTGOING TELEGRAM

289

PAGE 01 OF 06 STATE 057759 9449
ORIGIN NEA-11

STATE 057759

INFO	OCT-00	ADS-00	INR-10	EUR-12	SS-15	AF-10	CIAE-00	
	EB-06	DODE-00	H-01	NSCE-00	NSAE-00	COME-00	SSO-00	
	NC-02	L-03	CSCE-04	TRSE-00	PM-09	PA-01	OMB-01	
	INRE-00	ACDA-12	ICAE-00	SP-02	SPRS-02	(AS-01	NEA-11) R	

DRAFTED BY NEA/P:JTOUHEY
APPROVED BY NEA/P:JTOUHEY
PA:WDYESS
NEA:MDRAPER
DESIRED DISTRIBUTION
NEA 11 COPIES, ICA/NEA

DEPARTMENT OF STATE A/CDC/MR
RELEASED BY F Schmeler DATE 7/2/85
061050 0821172 /23

O 062354Z MAR 81 ZEX
FM SECSTATE WASHDC
TO ALL NEAR EASTERN AND SOUTH ASIAN DIPLOPATIC POSTS IMMEDIATE
INFO CIA WASHDC IMMEDIATE 0000
NSC WASHDC IMMEDIATE 0000
SECDEF WASHDC IMMEDIATE 0000
DIRNSA FT MEADE MD IMMEDIATE
USICA IMMEDIATE

LIMITED OFFICIAL USE STATE 057759

E.O. 12065: N/A

TAGS: SOPN

SUBJECT: DEPT. SPOKESMAN'S STATEMENT ON F-15 ADD-ON SALES TO SAUDI ARABIA

REF: STATE 057321

1. REFTEL TRANSMITTED DEPARTMENT SPOKESMAN'S STATEMENT ON F-15 ADD-ON SALES TO SAUDI ARABIA.
2. FOLLOWING IS TEXT OF BACKGROUND BRIEFING WHICH FOLLOWED ANNOUNCEMENT. FOR YOUR INFORMATION AND NOT FOR RELEASE, OFFICIALS BRIEFING WERE AMBASSADOR VELIOTES AND ASSISTANT SECRETARY (PM) BURT.

3. U.S. OFFICIAL:

--THE ADMINISTRATION IS MOVING QUICKLY TO COUNTER THE EROSION IN THE SECURITY SITUATION IN THE MIDDLE EAST/PERSIAN GULF REGION. IT IS CLEAR THAT A NEW STRATEGY IS NEEDED TO BOLSTER OUR FRIENDS, PROTECT VITAL WESTERN INTERESTS AND BLOCK SOVIET EXPLOITATION OF REGIONAL WEAKNESS AND INSTABILITY.

--OUR FRIENDS HAVE THREE OVERRIDING CONCERNS:

THEIR ABILITY TO DEFEND THEMSELVES IN THE FACE OF GROWING THREATS TO STABILITY, OUR ABILITY AND WILLINGNESS TO RESIST THE SOVIET ADVANCE AND FINDING A PEACEFUL END TO THE ARAB-ISRAELI CONFLICT TO REDUCE TENSIONS.

--THE PERCEPTION THAT WE AND THEY ARE DEALING EFFECTIVELY WITH THE EXTERNAL THREATS IS CRUCIAL TO THEIR EFFORTS TO STRENGTHEN INTERNAL STABILITY. COUNTRIES LIKE SAUDI ARABIA HAVE RELIED HEAVILY ON THE U.S. FOR THEIR SECURITY SUPPORT IN THE PAST. IN THE PAST FEW YEARS, THE SAUDIS AND OUR OTHER FRIENDS IN THE AREA BECAME DEEPLY DISAPPOINTED AT THE PERCEIVED FAILURE OF THE U.S. TO RESPOND FIRMLY AND QUICKLY TO THE NEW DANGERS THAT AROSE WITH AFGHANISTAN, THE REVOLUTION IN IRAN AND SOVIET INROADS IN THE HORN OF AFRICA. THEY SAW DRIFT AND INDECISION IN THE U.S. THAT CAUSED THEM TO DOUBT OUR RELIABILITY AND STEADFASTNESS IN DEFENDING OUR MUTUAL VITAL INTERESTS.

--THE APPROACH OF THIS ADMINISTRATION WILL BE A BROAD EFFORT TO REBUILD THE CONFIDENCE OF OUR FRIENDS, INCLUDING ASSISTING THEM WITH REASONABLE AND ADEQUATE MEANS OF DEFENDING THEMSELVES. AS CONFIDENCE GROWS, OUR FRIENDS WILL BE IN A POSITION TO MOVE TOWARDS CLOSER SECURITY COOPERATION WITH US. OUR PROPOSED SALES TO SAUDI ARABIA ARE AN IMPORTANT AND NECESSARY FIRST STEP ON THAT PROCESS.

--LET ME UNDERSCORE HERE THAT STRENGTHENING THE SECURITY SITUATION AND THE SEARCH FOR PEACE ARE MUTUALLY REINFORCING ELEMENTS IN OUR POLICY. THERE CAN BE NO MOVE TOWARDS PEACE UNLESS THERE ARE FEELINGS OF SECURITY AND CONFIDENCE AMONG THE REGIONAL STATES. AND THERE CAN BE NO REAL SECURITY UNLESS THERE IS MOVEMENT TOWARDS PEACE.

--LET ME EMPHASIZE THAT THE SALES ARE IN THE CONTEXT OF OUR ONGOING SECURITY RELATIONS WITH SAUDIS IN DEFENSE OF OUR MUTUAL VITAL INTERESTS. THIS IS NOT GRANTING A UNILATERAL FAVOR. A MORE SECURE SAUDI ARABIA WILL ENHANCE THE KEY SAUDI ROLE OF PROMOTING STABILITY IN THIS AREA, AND I SHOULD ADD, IN COOPERATION WITH US.
--THE DANGERS TO THE REGION FROM INSTABILITY AND THE SOVIET UNION ALSO THREATEN ISRAEL'S SECURITY. THIS ADMINISTRATION WILL ASSURE THAT ISRAEL'S DEFENSES REMAIN STRONG.

--ACCORDINGLY, AND IN RECOGNITION OF ISRAEL'S EXPRESSED CONCERNS ABOUT THE SALES TO SAUDI ARABIA, WE ARE PLANNING TO SEEK CONGRESSIONAL APPROVAL TO PROVIDE ISRAEL WITH ADDITIONAL CREDITS OF 300 MILLION DOLS EACH IN FISCAL YEARS 1983 AND 1984. THESE CREDITS WILL ENABLE THE ISRAELIS TO PURCHASE AIR DEFENCE AIRCRAFT OR OTHER EQUIPMENT THAT THEY HAVE DEFERRED BECAUSE OF THEIR DIFFICULT FINANCIAL POSITION. AND WE WILL INCREASINGLY WORK WITH ISRAEL TO COUNTER THE SOVIET THREAT.

--FINALLY, WE INTEND TO TAKE THOSE STEPS WHICH MAY BE REQUIRED IN THE FUTURE TO STRENGTHEN THE SECURITY AND CONFIDENCE OF OUR FRIENDS AND OURSELVES IN THIS CRITICAL REGION. THESE STEPS ARE A SIGN OF OUR DETERMINATION TO PROTECT OUR INTERESTS BY ENHANCING THE SECURITY AND STABILITY OF THE AREA.

DO YOU WANT TO SAY ANYTHING IN ADDITION?

U.S. OFFICIAL. WELL, I DON'T HAVE TOO MUCH TO ADD OTHER THAN TO REALLY MERELY EMPHASIZE A COUPLE OF POINTS YOU MADE. REALLY THE LAST IS THAT WE DO STRONGLY BELIEVE THAT THESE DECISIONS SHOULD BE PLACED IN THE BROADER FRAMEWORK OF WHAT WE WANT TO DO IN THE REGION. I MEAN THERE HAVE BEEN NEWSPAPER STORIES THAT SUGGESTED THAT SOMEHOW OUR PRIORITIES HAVE CHANGED, THAT WE'RE MORE INTERESTED IN STRENGTHENING OUR MILITARY POSTURE IN THE AREA--LESS INTERESTED IN THE MIDDLE EAST PEACE PROCESS.

I THINK AS THE STATEMENT PUT IT, AND IT WAS EXACTLY RIGHT, WE SEE THESE AS A JOINT OR DUAL TRACK APPROACH TO STRENGTHENING OUR INTERESTS IN THE REGION AND SECURITY THOSE INTERESTS. THAT IS, WE DON'T SEE A CONTRADICTION BETWEEN PROGRESS IN THE MIDDLE EAST PEACE PROCESS AND STRENGTHENING OUR MILITARY AND OUR POLITICAL

POSITION IN THE AREA.

I THINK THERE ARE THREE GENERAL POINTS THAT ARE WORTH AGAIN UNDERSCORING.

THERE HAS BEEN DRAMATIC AND SUBSTANTIAL CHANGE IN THAT REGION SINCE 1978, AND IT'S REALLY NOT NECESSARY TO IMITED OFFICIAL USE
RUN DOWN THE CHANGES THAT HAVE OCCURRED WITHIN THE REGION.

WHAT I THINK IS NOT SUFFICIENTLY RECOGNIZED IS THE EXPANSION OF SOVIET CAPABILITIES IN THE REGION AND AROUND THE REGION. AND HERE I'M NOT SIMPLY TALKING ABOUT THE SOVIET INVASION OF AFGHANISTAN. I M TALKING ABOUT THEIR INCREASED NAVAL PRESENCE AND--JUST AS IMPORTANT -- THEIR INCREASED CAPABILITIES IN THE SOVIET UNION, THEIR AIR AND GROUND CAPABILITIES, THREATS TO THE PERSIAN GULF AND THE WIDER REGION OF SOUTHWEST ASIA.

AND, LASTLY, I THINK IT'S NECESSARY TO EMPHASIZE OUR DESIRE TO CREATE A BROAD STRATEGIC APPROACH. THAT IS, THESE SALES SHOULD NOT BE SEEN AS JUST AD HOC STEPS, BUT THEY DO FIT INTO A BROADER STRATEGY WE ARE FORMULATING. AND THEN PART OF THAT STRATEGY WILL BECOME MORE CLEAR WHEN WE GO TO THE HILL WITH AN ENHANCED SECURITY ASSISTANCE PACKAGE WHICH WILL NOT ONLY ADDRESS THE CONCERNS OF ISRAEL AND THE SAUDIS INTERMS OF ARMS SALES BUT WILL ADDRESS THE CONCERNS OF A NUMBER OF COUNTRIES IN THAT REGION.

THESE STEPS ARE DESIGNED IN PART TO ENHANCE THE CAPABILITIES OF THESE COUNTRIES TO RESPOND TO LOW-LEVEL THREATS (AND TO) INSTABILITY IN THE REGION.

BUT THEY'RE ALSO DESIGNED, I THINK, TO WORK OUT COOPERATIVE APPROACHES WITH THOSE COUNTRIES IN TERMS OF OUR CAPABILITIES AND OUR ABILITY TO DETER AND DEFEND AGAINST THE MAJOR THREATS THAT EXIST IN THE AREA.

Q. IS SELLING THE AWAC'S TO SAUDI ARABIA A SERIOUS POSSIBILITY?

U.S. OFFICIAL--WE HAVE SAID AND WE WANT TO BE RESPONSIVE TO THE SAUDI AIR SURVEILLANCE NEED--THEY HAVE MADE IT CLEAR THAT THEY ARE INTERESTED IN THE AWAC'S, SO I THINK IT SHOULD BE CONSIDERED A SERIOUS POSSIBILITY.

Q. WON'T THE SAME DISADVANTAGES THAT APPLIED IN THE CASE OF IRAN APPLY IN THE CASE OF SAUDI ARABIA, THAT IS THE POSSIBILITY OF A CHANGE IN REGIME WHICH WOULD RESULT IN THE TECHNOLOGY FALLING INTO HOSTILE HANDS?

U.S. OFFICIAL--THERE IS NO EVIDENCE THAT AWAC'S TECHNOLOGY HAS FALLEN INTO HOSTILE HANDS, IN THE CASE OF IRAN.
Q. ARE YOU GOING TO GIVE THE SAUDIS REFUELING CAPABILITY, OR ARE YOU GOING TO STUDY IT, OR WHAT?

U.S. OFFICIAL--WE SAY THERE THAT WE THINK THAT THEY REQUIRE AN AIR-REFUELING CAPABILITY, AND SO WE ARE GOING TO TALK WITH THE SAUDIS ABOUT WHAT KINDS OF SYSTEMS ARE BEST SUITED TO MEET THEIR NEEDS. THERE ARE A NUMBER OF DIFFERENT OPTIONS IN THAT AREA.

ON THE AWAC'S, THERE IS MORE THAN SIMPLY ONE TYPE OF AWAC'S AIRCRAFT. THERE ARE DIFFERENT SYSTEMS AND OPTIONS THERE. THE SAUDIS HAVE THEIR PREFERENCES, HOWEVER.

Q. COULD YOU SPELL OUT WHY WE THINK THEY REQUIRE A REFUELING CAPABILITY?

U.S. OFFICIAL--THEY HAVE A VERY SERIOUS AIR DEFENSE REQUIREMENT. I DON'T NEED TO GO INTO TOO MUCH DETAIL ABOUT THE VALUE OF THEIR ASSETS ON THEIR TERRITORY--THE VALUE OF THEIR ASSETS BOTH TO THEM AND TO US. AND AS THE IRAN-IRAQ WAR DEMONSTRATED--AND REMEMBER THE CONCERN THAT EXISTED IN SAUDI ARABIA LAST FALL AND EXISTED IN THIS CAPITAL LAST FALL OVER THE POSSIBILITY OF AN IRANIAN AIR ATTACK AGAINST THE SAUDIS--HAS MADE IT ABUNDANTLY CLEAR THAT THEY NEED THE CAPABILITY TO PROTECT THEIR AIR SPACE; AND TO PROTECT THEIR AIR SPACE THEY NEED TO BE ABLE TO PUT AIRCRAFT IN THE AIR FOR PERIODS OF TIME TO PROVIDE AIR COVER.

THESE F-15'S ARE INTERCEPTOR AIRCRAFT; THEY ARE USED AS INTERCEPTOR AIRCRAFT BY THE U.S. AIR FORCE; THEY ARE USED AND ARE GOING TO BE USED AS INTERCEPTOR AIRCRAFT BY THE ISRAELI AIR FORCE, AND THEY WILL BE USED IN THAT ROLE BY THE SAUDI AIR FORCE. CONFORMAL FUEL TANKS AND REFUELING CAPABILITIES WILL ALLOW THOSE AIRCRAFT TO STAY IN THE AIR IN TIMES OF PERIODS OF THREAT, SO THAT ANY KIND OF ATTACK COULD BE DETERRED.

Q. YOU HELD OUT THE POSSIBILITY THAT WHEN YOU GO TO CAPITOL HILL, YOU ARE GOING TO HAVE A PACKAGE OF MILITARY AID THAT GOES BEYOND WHAT YOU'RE TALKING ABOUT TODAY, THAT IS SAUDI AND ISRAEL. COULD YOU DEVELOP THAT A BIT?

U.S. OFFICIAL: WELL, NO, WE'RE GOING UP TO THE HILL SOON WITH OUR FY-82 SECURITY ASSISTANCE PACKAGE, AND WE CALL IT AN ENHANCEMENT PACKAGE BECAUSE WE BELIEVE THAT SECURITY ASSISTANCE, ALONG WITH OUR OWN MILITARY FORCES, ARE A MEANS OF BOLSTERING AND STRENGTHENING OUR INTERESTS IN THE REGION, AND WE PLAN TO STRENGTHEN OUR FRIENDS AND ALLIES IN THE AREA.

Q. COULD YOU GIVE US A READING AS TO WHAT TYPE OF RECEPTION--YOU'VE BEEN CONSULTING WITH THE HILL--THIS PACKAGE IS GOING TO GET, OR DO YOU EXPECT A FIGHT, THAT YOU'RE GOING TO WIN, OR DO YOU EXPECT PRETTY STRONG SUPPORT?

U.S. OFFICIAL: I THINK THAT WE'VE HAD THE KIND OF RECEPTION ON THE HILL THAT YOU CAN IMAGINE. THERE ARE THOSE WHO HAVE EXPRESSED SERIOUS CONCERN; THERE ARE THOSE WHO HAVE EXPRESSED STRONG SUPPORT. WE ARE INTHEPROCESS OF CONTINUING OUR BRIEFINGS. WE UNDERSTAND THE CONCERNS THAT ARE EXPRESSED. WE ARE TRYING TO CONVINCINGLY ANSWER THOSE CONCERNS.

DO WE EXPECT TO WIN IF IT COMES TO A FIGHT, WHICH WE HOPE TO AVOID? THE ANSWER IS EMPHATICALLY YES. NOW, HAVING SAID THAT, WE HOPE AND EXPECT IT WON'T COME TO THAT.

Q. SINCE WE'RE ON BACKGROUND, COULD YOU SUMMARIZE IN TWO OR THREE SENTENCES, WHAT THE ISRAELI ATTITUDE TOWARD THIS PROPOSAL IS?

U.S. OFFICIAL: SURE, WHEN THE ISRAELI FOREIGN MINISTER WAS HERE, WE DISCUSSED THIS ISSUE IN ANTICIPATION THAT HE WOULD BE ASKED THE QUESTIONS, I THINK ALL OF YOU KNOW. I THINK IT WAS JUST ON HIS DEPARTURE FROM BEN GURION AIRPORT, HE WAS ASKED, "WHAT IS YOUR ATTITUDE

TOWARDS THIS?" AND HE SAID, "WE ARE OPPOSED TO ALL SALES OF MILITARY EQUIPMENT TO ALL ARAB COUNTRIES. WE OPPOSE THIS AS WELL."

WE DISCUSSED, OBVIOUSLY, THE CONCERNS THAT THEY RAISED ABOUT THIS. IN THAT CONTEXT, WE EXPLAINED TO THEM ALONG THE LINES MY COLLEAGUES AND I HAVE BEEN DESCRIBING TO YOU, AND WHICH IS ALSO IN OUR ANNOUNCEMENT--WHICH IS A POLICY ANNOUNCEMENT--NOT A TACTICAL ONE--WHY WE FELT THIS WAS TERRIBLY IMPORTANT.

OBVIOUSLY THEY WERE NOT ESSTATIC ABOUT THE PROPOSAL, BUT WE RECOGNIZED THAT THEIR CONCERNS WERE LEGITIMATE AS WELL. WE MAY NOT SHARE THE EXTENT OF THEIR CONCERNS OVER THESE PARTICULAR ENHANCEMENT ITEMS; BUT CLEARLY, ANY PRUDENT ISRAELI MILITARY CHIEF WOULD HAVE TO LOOK AT ANY SUCH DEVELOPMENT FROM THE PROSPECT OF WHAT THREAT, EVEN MARGINAL THREAT, THIS MAY POSE AND WHAT IT WOULD MEAN FOR ISRAELI RESOURCES, AS THEY SEEK TO ASSURE THEIR OWN SECURITY WITHOUT ANY DOUBT.
IT WAS IN THIS CONTEXT OF NOT NECESSARILY AGREEING WITH THE NATURE OF THE THREAT ABOUT WHICH THEY WERE CONCERNED, BUT RECOGNIZING THE LEGITIMACY OF THEIR CONCERN, THAT WE SUGGESTED THAT THERE WERE SEVERAL WAYS THAT WE COULD HELP TO MEET THEIR CONCERNS, AND ONE OF THEM WAS, OF COURSE, THE PROPOSAL THAT WE MAKE IT POSSIBLE FOR THEM THROUGH ONE-YEAR PROCUREMENT TO ACCELERATE THEIR PROCUREMENT OF AIRCRAFT WHICH WE HAVE ALREADY APPROVED--

HOW MANY ARE THERE? SIXTY F-15'S. I BELIEVE THEY ALSO HAVE SOME F-16'S THAT THEY HAVEN'T YET PICKED UP THAT WE HAD APPROVED, BUT THEY HAVEN'T BEEN ABLE TO PAY FOR. AND THROUGH THIS POSSIBILITY OF ACCELERATED PROCUREMENT, THIS COULD HELP EASE THEIR CONCERNS.

THERE WERE SOME OTHER SUGGESTIONS WE MADE--A WILLINGNESS TO BE MUCH MORE FORTHCOMING IN THEIR EFFORTS TO MARKET THEIR KFIR. YOU KNOW, THEY HAVE ECONOMIC PROBLEMS. THERE IS NO QUESTION ABOUT THE FACT THAT THEY HAVE ECONOMIC PROBLEMS.

WHAT CAN WE DO TO BE HELPFUL OVER AND ABOVE OUR OWN SUBSTANTIAL ASSISTANCE PROGRAMS, PARTICULARLY IN A VERY TIGHT BUDGETARY ENVIRONMENT THAT WE NEED NOT ELABORATE ON. ONE OF THEM WAS TO HELP THEM WITH THE KFIR. WHEN I SAY "HELP WITH THE KFIR," WHAT IT MEANS IS TO SAY "YES" FOR THEIR MARKETING OF THE KFIR IN AREAS WHICH CONFORM TO OUR OWN, WITH LAWS AND REGULATIONS WHICH, BASICALLY, ARE WHERE WE WOULD BE PREPARED TO SELL COMPARABLE AIRCRAFT.

THERE WAS THEIR CONCERN, WHICH THE F-15 SALE HAS RAISED FOR SEVERAL YEARS, ABOUT THEIR ABILITY TO MAINTAIN THEIR QUALITATIVE EDGE. I DON'T HAVE TO ELABORATE ON THE NEED FOR TECHNOLOGICAL AND QUALITATIVE SUPERIORITY OF AN ISRAELI DEFENSE FORCE WHICH IS LIMITED IN MANPOWER.

I THINK VERY IMPORTANTLY IN OUR DISCUSSIONS, THE COMMITMENT WAS REAFFIRMED THAT THEY WOULD HAVE THIS. WE WERE COMMITTED TO THE MAINTENANCE OF A QUALITATIVE EDGE OF THE ISRAELI ARMED FORCES.

AND THEN FINALLY, THE INTENTION TO DISCUSS MORE MEANINGFULLY WITH THE ISRAELIS IN THE FUTURE THE

OVERALL STRATEGIC PROBLEMS OF THE AREA IN ITS BROADEST SENSE.

Q. DO I UNDERSTAND FROM YOUR ORIGINAL STATEMENT THAT HAD THE CARTER ADMINISTRATION RESPONDED MORE FORCEFULLY TO THE FALL OF THE SHAH OR THE INVASION OF AFGHANISTAN, THIS MIGHT NOT HAVE BEEN NECESSARY, AND THAT IT IS NECESSARY BECAUSE OF CARTER'S FAILURE TO ACT?

U.S. OFFICIAL--I DON'T WANT TO GET INTO THAT. I'M A SPOKESMAN FOR THE NEW ADMINISTRATION. THERE WAS A SITUATION THAT WAS FACING THE ADMINISTRATION ON JAN. 20 AND WE ARE REACTING IN THAT RESPECT.

Q. BUT YOU HAVE LISTED A SERIES OF EVENTS THERE THAT YOU SAID HAD RAISED SAUDI DOUBTS. I'M TRYING TO DETERMINE--

U.S. OFFICIAL: LET ME TELL YOU FROM MY OWN EXPERIENCE ON THE GROUND--

THE FALL OF THE SHAH WAS A CATACLYSMIC DEVELOPMENT, IN THE MINDS OF THE JORDANIANS, NOT TO MENTION THE ISRAELIS WHO HAD THEIR OWN REASONS FOR HAVING CONCERN; THE SAUDIS AND ALL OF THE OTHERS. IT WAS CATACLYSMIC. AND I CAN'T QUANTIFY AND I CAN'T PROVE THIS IN ANY WAY, BUT YOU HAVE TO CONSIDER THAT WHEN YOU CONSIDER ALSO THE REACTION OF OUR FRIENDS OUT THERE TO THE RISKS THEY PERCEIVED WE WERE ASKING THEM TO TAKE WITH RESPECT TO JOINING OR SUPPORTING CAMP DAVID.

I'M NOT SUGGESTING THAT OUR NEW POLICY IS GOING TO HAVE EVERYONE JUMPING ON THE CAMP DAVID BANDWAGON--THAT'S NOT THE POINT. I'M GOING BACK TO SEPTEMBER 1978 THROUGH THE MIDDLE OF '79.

Q. IN THE CONTEXT OF IMPROVING OUR OVERALL STRATEGIC SITUATION IN THE MIDDLE EAST, IT HAS BEEN WIDELY REPORTED THAT WE ARE GOING TO SEEK FACILITIES OR BASES, OR BY SOME OTHER WORD PERHAPS SOMETHING FOR THE RAPID DEPLOYMENT FORCES IN THE MIDDLE EAST, SPECIFICALLY IN SAUDI ARABIA. CAN YOU ADDRESS THAT PARTICULAR ISSUE?

U.S. OFFICIAL--THOSE REPORTS ARE INCORRECT, AS I SAID, WE ARE FORMULATING A BROADER STRATEGY FOR THE REGION. AND TO SAY THAT WE HAVE CONCRETE DETAILS OF A STRATEGY INTHEROLE OF ANY RAPID DEPLOYMENT FORCE, ITS SIZE, HOW IT WOULD BE BASED AND WHERE IT WOULD BE BASED, IT IS FAR TOO EARLY TO SAY.

I THINK, AS MY COLLEAGUE PUT IT, WHAT WE HOPE TO SEE AS A RESULT OF DECISIONS WE ARE TAKING AND GOING TO TAKE, GREATER COOPERATION FROM ALL THE COUNTRIES IN THE AREA. BUT AS FOR SEEKING ANY KIND OF PERMANENT BASE OR ANY KIND OF ACCESS TO FACILITIES, IT'S JUST FAR TOO EARLY TO SAY. THOSE DECISIONS HAVE NOT BEEN TAKEN.

Q. AS A RESULT OF COOPERATION, HAS THERE BEEN SOME INDICATION FROM THE SAUDIS THAT THEY MAY LOOK UPON SOMETHING LIKE THAT MORE SYMPATHETICALLY THAN THEY USED TO WHEN THEY WERE VERY HOSTILE TO THE IDEA?

U.S. OFFICIAL--NO, YOU CAN'T SAY THERE HAVE BEEN ANY INDICATIONS. IT IS JUST COMMON SENSE TO RECOGNIZE THAT WE ARE A MORE CREDIBLE POWER AND WE APPEAR MORE DEPENDABLE TO ALL THE COUNTRIES IN THE AREA--NOT JUST THE SAUDIS; WE'RE TALKING ABOUT ALL THE COUNTRIES IN THE AREA--AND ARE SYMPATHETIC TO THEIR SPECIAL

POLITICAL CONCERNS AS WELL AS, I THINK, A MUTUAL ANXIETY ABOUT THE REGION AND THE ROLE, PARTICULARLY OF THE SOVIET UNION, I THINK THAT WE WILL BE ABLE TO WORK OUT MORE COOPERATIVE APPROACHES TO THE THINGS WE ALL WANT TO DO.

Q. HAVE YOU SIGNALLED YOUR INTENTION TO SELL THE REFUELING CAPABILITY AND THE BOMB RACKS? I PRESUME THAT'S WHAT YOU'RE REFERRING TO IN THE AIR-TO-GROUND REQUIREMENTS. WHAT'S THE TIME FRAME FOR THESE STUDIES ON THOSE TWO ITEMS?

U.S. OFFICIAL: WE HAVE AGREED. WE FEEL AND HAVE AGREED IN PRINCIPLE THAT THE SAUDIS NEED AN AIR REFUELING CAPABILITY. WE NEED TO TALK WITH THEM ABOUT JUST WHAT THEIR SPECIFIC REQUIREMENTS ARE

NOW, THE BOMB RACKS ISSUE IS ANOTHER ISSUE ALTOGETHER WE HAVE NOT DISCUSSED WITH THE SAUDIS, WE HAVE NOT STUDIED THE QUESTION OF WHAT SAUDI AIR-TO-GROUND REQUIREMENTS ARE. THIS IS A VERY COMPLICATED ISSUE YOU REALLY HAVE TO LOOK AT JUST EXACTLY WHAT KIND OF GROUND THREATS TO SAUDI ARABIA EXIST--AND HERE WE'RE TALKING ABOUT ARMORED FORCES--AND THEN YOU HAVE TO EXAMINE WHAT KINDS OF AIRCRAFT AND AIR-TO-GROUND MUNITIONS ARE REQUIRED TO MEET THAT THREAT.
AND, THAT IS SOMETHING THAT IS REALLY JUST GETTING UNDER WAY AND WE'RE NOT GOING TO BE IN ANY POSITION TO ADDRESS THE BOMB RACKS ISSUE OR ALTERNATIVE SYSTEMS OR ALTERNATIVE APPROACHES TO THE AIR-TO-GROUND PROBLEM FOR SOME TIME.

Q. CAN YOU TAKE UP THE QUESTION, PLEASE, OF THE FACT THAT WASN'T THE BOMB RACK AND THE REFUEL PART OF THE ORIGINAL PACKAGE AND THAT YOU HAD TO PEEL THOSE OFF TO MEET THE ISRAELI OBJECTIONS?
U.S. OFFICIAL--THAT IS JUST NOT TRUE. WE HAVE NOT SCALED DOWN THIS PACKAGE AS A RESULT OF ANY POLITICAL PRESSURE, INTERNALLY OR EXTERNALLY. I THINK WE'VE REALLY DONE A VERY SERIOUS JOB IN ANALYZING THESE REQUESTS IN TERMS OF THE REAL REQUIREMENTS OF SAUDI ARABIA AND OUR SECURITY INTERESTS IN THE AREA. AND WE HAVE NOT SCALED BACK WHATSOEVER OUR DECISION

Q. DID THE SAUDIS IN THEIR ORIGINAL PACKAGE ASK FOR BOMB RACKS--PUT IT THE OTHER WAY, THEN--ASK FOR BOMB RACKS AND ASK FORTHE AIR REFUEL TANKERS?

U.S. OFFICIAL: IT WAS WELL KNOWN THE REQUEST THAT SAUDIS MADE TO THE CARTER ADMINISTRATION LAST YEAR WHAT THEIR DESIRE WAS.

Q. FOR BOTH OF THOSE.

U.S. OFFICIAL--WE KNEW THAT THERE WERE FIVE ITEMS THAT THEY WERE INTERESTED IN.

Q. IN THE COURSE OF THE DISCUSSIONS WITH THE SAUDI'S ABOU THIS, HAS THERE BEEN IN THE CONTEXT OF THOSE DISCUSSIONS ANY BROADER DISCUSSION OF THE PEACE PROCESS AND HOW THE SAUDIS MIGHT AT SOME FUTURE DATE BE HELPFUL--NOT
-- NECESSARILY WITH REFERENCE TO CAMP DAVID BW JUST IN GENERAL TERMS--PLAY A USEFUL OR MORE CONSTRUCTIVE ROLE IN THIS?

U.S. OFFICIAL: YOU KNOW, THIS GETS TO THE WHOLE QUESTION OF LINKAGE AND HAVE WE TIED THIS SPECIFIC,

RATHER MODEST, ENHANCEMENT PACKAGE TO A WHOLE RANGE OF ISSUES THAT WE WOULD LIKE THE SAUDIS TO DO. AND THE ANSWER IS NO.

IN THE FIRST PLACE, IT'S NOT THE WAY YOU GET THINGS DONE, NOT ONLY IN SAUDI ARABIA. THERE ARE PLENTY OF COUNTRIES WHO RESIST PRESSURES.

WE DO EXPECT THAT OUR WILLINGNESS TO PROVIDE THEM WITH THIS EQUIPMENT WILL ENHANCE OUR ABILITY TO WORK WITH THEM MORE EFFECTIVELY IN THE GENERAL AREA OF SECURITY.

NOW, YOU CAN DEFINE THIS IN A VERY BROAD RANGE. YOU KNOW, THE SAUDIS ARE HELPING COUNTRIES WHO FIND THEMSELVES IN VERY DIFFICULT POSITIONS, SUCH AS PAKISTAN, WHO ARE ALSO VERY IMPORTANT TO US AND TO THE ACHIEVEMENT OF OUR COMMON GOALS IN THE AREA.

AND I DON'T WANT TO GO ANY FURTHER ON THIS UNLESS YOU'VE GOT SOME SPECIFIC QUESTIONS.

Q. I WASN'T NECESSARILY SUGGESTING THAT WE WERE LINKING THIS, I WAS JUST INTERESTED THAT MAYBE THE SAUDIS RAISED IT.

U.S. OFFICIAL: NO, THERE WAS NO LINKAGE ON THE PEACE PROCESS. LET'S UNDERSTAND,--LET ME SAY THAT FROM 1974, LATE 1973--YOU RECALL THE YOM KIPPUR WAR STARTED IN OCTOBER '73, OCTOBER 22 WE HAD A SECURITY COUNCIL RESOLUTION THAT STOPPED THE FIGHTING--THE SAUDIS SUPPORTED US AND SUPPORTED SADAT IN OUR EFFORTS TO START THE PEACE PROCESS GOING.

Q. YES, BUT WHAT TIME? AT WHAT POINT?

U.S. OFFICIAL--LATE '73 TO SEPT. 1978. NOW, CAMP DAVID WAS A DRAMATIC AND IMPORTANT ACHIEVEMENT. THE PEACE PROCESS LEADING TO CAMP DAVID, AS FAR AS WE'RE CONCERNED, WAS OCT. 22, 1973. THE SAUDIS HAD COOPERATED WITH US OPENLY UNTIL CAMP DAVID.

NOW, WE CAN TALK ABOUT THEIR ATTITUDES ON CAMP DAVID AND I'LL BE HAPPY TO ADDRESS IT.

Q.. COULD I JUST FOLLOW ALONG THAT LINE?
U.S. OFFICIAL: JUST LET ME SAY THAT THE TASK OF STATESMANSHIP AS WE LOOK TO THE FUTURE IN A WHOLE VARIETY OF FIELDS, INCLUDING THE PEACE PROCESS, WILL BE FOR US TO HOPEFULLY GET THE SAUDIS AND MANY OTHERS TO JOIN WITH US AGAIN IN A PEACE PROCESS.
COULD I BRANCH OUT ON THAT SAME THOUGHT? ULTIMATELY, IS WHAT YOU'VE ENVISIONED A QUASI-DEFENSIVE ALLIANCE, AN INFORMAL GROUPING AGAINST SOVIET SUBVERSION AND INTERVENTION IN THE MIDDLE EAST INVOLVING SAUDI ARABIA, ISRAEL AND THE UNITED STATES?

U.S. OFFICIAL: DO YOU MEAN SORT OF A BAGHDAD PACT THAT IS IMPOSSIBLE TO CREATE?

Q, WELL, WHATEVER YOU WANT TO CALL IT. ARE YOU THINKING OF A DE FACTO, INFORMAL, ANTI-SOVIET ALLIANCE? EITHER ONE.

U.S. OFFICIAL--I DON'T KNOW. THE ANSWER IS NO, NOT IN THESE TERMS. WE ARE DEALING WITH COUNTRIES BILATERALLY. YOU'RE TALKING NOW IN THIS CONTEXT ABOUT ISRAEL AND SAUDI ARABIA. WE ARE HOPING THAT WE WILL BE ABLE TO WORK EFFECTIVELY WITH ALL OF OUR FRIENDS IN MEETING

OUR COMMON GOALS.

NOW, THE REASON WHY YOU CAN'T THINK IN TERMS OF AN ISRAEL-U.S.-SAUDI ALLIANCE IS THAT IT'S IMPOSSIBLE. AND I'M NOT GOING TO BE IN THE POSITION OF PROPOSING IMPOSSIBILITIES TO MY BETTERS.

SO WE'RE DOING EXACTLY WHAT WE SAY WE'RE DOING.

Q. THE WORD I USED WAS "DE FACTO". OBVIOUSLY THEY' RE NOT GOING TO SIT DOWN IN THE SAME ROOM AND SIGN A TREATY.

U.S. OFFICIAL: NO, THEY RE NOT EVEN GOING TO DO T THROUGH PROXIMITY TALKS. JOE SISKO WON'T BE ABLE TO PULL THIS ONE OFF.

Q. ARE YOU THINKING OF THEM ACTING IN CONCERT WITH US TO MEET THE COMMON DANGER?

.S. OFFICIAL: WELL, WE WANT BETTER COOPERATION WITH THOSE TWO COUNTRIES AND WE WANT TO COOPERATE WITH OTHER COUNTRIES IN THE REGION. THEY HAVE AND WE HAVE A STAKE IN STABILITY IN THE REGION, AND WE RE READY TO COOPERATE WITH THOSE COUNTRIES THAT HAVE A STAKE IN STABILITY IN THE AREA. BUT THAT S NOT AN ALLIANCE.
Q. NO, I'M SAYING ACTING IN CONCERN OR WHATEVER YOU WANT TO CALL IT.

U.S. OFFICIAL: WELL, NOW YOU HAVE TO BE CAREFUL BECAUSE YOU'RE COMING AT IT IN A VARIETY OF DIFFERENT WAYS THAT ALL COMES OUT TO THE SAME, JIM, AND THAT JUST ISN'T GOING TO HAPPEN AND WE KNOW IT.

Q. ARE THE ISRAELIS GOING TO TAKE THE CREDITS AND USE THEM? HAVE THEY SAID THEY RE GOING TO BUY SOME MORE PLANES SOON, AND IS THERE ANYTHING ELSE THAT THEY HAVE BEEN OFFERED BESIDES THAT AND NEW FLEXIBILITY ON THE KFIRS?

U.S. OFFICIAL: YOU KNOW, IT'S GOING TO BE UP TO THE ISRAELIS TO DEFINE THEIR REQUIREMENTS. WE HAVE SOME INITIAL SIGNS. MY COLLEAGUE HAS POINTED OUT THAT THEY WERE ALLOWED TO PURCHASE 60 F-15 S. THEY'VE PURCHASED UP TO 40. THEY HAVE CREDITS UP TO 40. THEY HAVE INDICATED THAT THEY MIGHT WANT TO BUY SOME ADDITIONAL --WANT CREDITS FOR ADDITIONAL F-15'S BEYOND THE 40 THEY'VE PURCHASED.

THERE HAS BEEN--FOR EXAMPLE, THEY'RE INTERESTED IN FORMING, I THINK, TWO LARGE SQUADRONS, AIR DEFENCE SQUADRONS, FOR THEIR F-15 FORCE. MAYBE 24 OR 25 AIRCRAFT. SO THERE IS A POSSIBILITY THAT THEY MIGHT WANT CREDITS TO BUY BETWEEN 10 AND 15 ADDITIONAL F-15'S BEYOND THAT 40.

BUT THAT'S JUST ONE OPTION THAT'S AVAILABLE TO THEM. WE'LL WANT TO TALK WITH THEM ABOUT WHAT THEIR REQUIREMENTS ARE, AND I THINK THEY'LL WANT TO THINK THAT THROUGH. YOU MENTION THE KFIR FLEXIBILITY IN ALLOWING THEM TO MARKET THAT AIRCRAFT.

I THINK THE THIRD COMPONENT--AND AGAIN, MY COLLEAGUE MENTIONED THIS--IS THAT WE DO WANT TO HAVE A SERIOUS DISCUSSION WITH THEM ABOUT THE BROADER STRATEGIC REALITIES IN THE REGION. WE WANT THEIR VIEWS ON WHAT THEIR CONCERNS ARE IN THE REGION, AND WE WANT TO TALK TO THEM ABOUT OUR POLICY. AND, AS OUR POLICY BEGINS

Y& TAKE SHAPE IN THE REGION, WE WANT THEM TO UNDERSTAND IT. A DIALOGUE ALONG THOSE LINES WOULD BE USEFUL.
Q. ARE YOU SELLING ENOUGH FUEL TANKS AND SIDEWINDER MISSILES TO EQUIP ALL 62 SAUDI F-15'S. THERE WERE SOME REPORTS THIS MORNING THAT THE EQUIPMENT YOU'RE ACTUALLY PROVIDING WILL BE LESS THAN THE 62.

U.S. OFFICIAL: THERE HAVE BEEN NO NUMBERS THAT HAVE BEEN DECIDED UPON AS YET. THIS IS SOMETHING THAT WILL HAVE TO BE WORKED OUT.

Q, WOULD YOU BE ABLE TO SUPPLY THOSE CONFORMAL FUEL TANKS WITH THE FIRST F-15 EARLY NEXT YEAR?

U.S. OFFICIAL: NO, THE PRODUCTION LEAD TIME IS SUCH THAT IT WOULD BE SEVERAL YEARS AWAY.

AS FAR AS I'M AWARE, THE ONLY AIR FORCE IN THE WORLD THAT PRESENTLY EQUIPS ITS F-15'S WITH CONFORMAL FUEL TANKS IS THE ISRAELI AIR FORCE.

Q. I THINK THAT WHEN GENERAL JONES WENT TO SAUDI ARABIA TO TALK THEM OUT OF THIS PACKAGE IN NOVEMBER OR DECEMBER, THAT HE DID OFFER AN ACCELERATED DELIVERIES. HAVE THEY PICKED UP THAT OFFER AND IS THERE GOING TO BE ACCELERATED DELIVERIES TO THE SAUDIS?

U.S. OFFICIAL: I DON'T THINK ANY DECISION HAS BEEN TAKEN ON ACCELERATED F-15 DELIVERY?

Q. COULD I GO BACK TO THE AIR FORCE OFFICIAL THERE FOR A SECOND? YOU'RE TALKING, THEN, ABOUT A PRINCIPLE OF SIDEWINDERS AND THE FUEL TANKS AND YOU'RE TELLING US THAT NO NUMBERS HAVE BEEN REACHED ON THE NUMBER OF SIDEWINDERS AND DOESN'T THIS LEAD TO BIG FUTURE CONTROVERSY BETWEEN THE U.S. AND SAUDI ARABIA?
U.S. OFFICIAL. I DON'T THINK SO. IT S JUST A TECHNICAL DISCUSSION.

Q. IN THE DISCUSSION ON THE F-15'S, ON THESE NEW ENHANCEMENTS FOR THE SAUDIS, DO YOU GET INVOLVED IN DEBATES ABOUT CURBS ON USE AGAINST ISRAEL, FOR EXAMPLE AND SPECIFICALLY? HOW DOES THAT ENTER INTO THE DISCUSSION? OR DOES IT?

U.S. OFFICIAL: WELL, IT IS AN ISSUE THAT WE WILL HAVE TO DISCUSS WITH THEM.

Q. WELL, WHERE WAS IT? HAS THAT COME UP IN YOUR EARLIER DISCUSSION?
U.S. OFFICIAL:WE HAD TALKED TO THE SAUDIS AND WE HAVE DISCUSSED THE QUESTION OF ASSURANCES. AND THE SAUDIS HAVE SAID THAT THESE AIRCRAFT ARE NOT FOR OFFENSIVE PURPOSES.

U.S. OFFICIAL: AND WHERE THEY PLAN TO USE THEM AND WE BELIEVE THEY HAVE A LEGITIMATE NEED FOR THEM THERE.

Q. HAVE YOU GOT ANY REQUEST FROM THE ISRAELIS TO OBTAIN ASSURANCES--

U.S. OFFICIAL--I DON'T THINK WE WANT TO CAST THIS INTO A TRILATERAL CONTEXT.

U.S. OFFICIAL--NO.

U.S. OFFICIAL--WE RECOGNIZE THE ISRAELI CONCERN.

Q. BUT THERE IS A QUESTION ABOUT THE TIMING OF THIS DEAL. YOU'RE SAYING THAT YOU DIDN'T HAVE ENOUGH TIME TO PUT TOGETHER YOUR OVERALL POLICY TOWARDS THE MIDDLE EAST. AND SINCE THESE ARE THE ONLY DETAILS THAT YOU DECIDED UPON WHILE THE REST OF THE POLICY IS UNDER REVIEW WAS A RESULT OF SOME EXTERNAL PRESSURE AND NOT INTERNAL DECISION.

U.S. OFFICIAL: LET ME SAY THAT WHATEVER OUR OVERALL STRATEGY IS GOING TO BE, WE KNOW THE OUTLINES. AFTER ALL, ALTHOUGH WE'RE IN A LOT OF POLICY REVIEWS, IT MUST HAVE BEEN ON JAN. 20 SOMETIME WHEN THE PRESIDENT AND THE SECRETARY OF STATE--AND SUBSEQUENTLY SHORTLY THEREAFTER, THE SEN IOR CABINET OFFICERS--MADE CLEAR THAT ONE OF THE MAJOR AIMS OF THE ADMINISTRATION--AS A MATTER OF FACT, THE MAJOR POLICY THRUST--WOULD BE TO BECOME MORE CREDIBLE, MORE RELIABLE, MORE SUPPORTIVE OF OUR FRIENDS IN DEFENDING OUR VITAL INTERESTS IN THE WORLD. AND WAY UP ON THE SCALE OF PRIORITIES WAS TO HELP THOSE COUNTRIES WHO COULD HELP US FIGHT OFF AN EXPANSION OF SOVIET INFLUENCE IN VITAL AREAS.
NOW, THAT'S THE STARTING POINT AND, CLEARLY, IF YOU'RE GOING TO HAVE A CREDIBLE SECURITY POLICY BASED ON THOSE LINES TOWARDS SOUTHWEST ASIA AND THE PERSIAN GULF, YOU MUST HAVE A CLOSE AND PRODUCTIVE SECURITY RELATIONSHIP WITH SAUDI ARABIA AND ISRAEL AND JORDAN AND THERE ARE A LOT OF OTHER COUNTRIES THAT ARE ALREADY IN PLACE WITH WHOM WE HAVE HAD RELATIONS IN THE PAST.
Q. THANK YOU. (END OF BACKGROUND BRIEFING).

R. PAO'S AND INFORMATION OFFICERS SHOULD DRAW UPON FOREGOING IN DISCUSSING F-15 ADD-ONS SALES TO SAUDI ARABIA AND U.S. POLICY IN AREA WITH MEDIA AND OTHER CONTACTS. STOESSEL